

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0890-01
Bill No.: SB 385
Subject: Gambling; Veterans
Type: Original
Date: April 15, 2011

Bill Summary: This proposal imposes an additional admission fee for excursion gambling boat licensees to fund veterans' commission capital improvements.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Veterans Capital Improvement Trust Fund	\$48,790,721	\$57,849,532	\$56,884,895
Total Estimated Net Effect on <u>Other</u> State Funds	\$48,790,721	\$57,849,532	\$56,884,895

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Missouri Gaming Commission (GAME)** assumes the Veterans Capital Improvement Trust Fund (VCIT) would receive fifty percent additional of the current \$2 admission or \$1 additional per admission paid. The total admission paid would be \$3 per patron.

GAME states, admissions to Missouri Casinos would increase by 2 percent per year in general with exceptions based upon estimated admissions that include positive and negative impacts from casino openings in Kansas and Missouri.

GAME estimates the following fiscal impact, this proposed legislation would increase the VCIT by \$48,790,721 in FY 2012 (10 months)

GAME estimates in FY 2013 the direct fiscal impact to the VCIT, will be the FY 2012 total estimate, less 5.64% negative impact of Kansas Speedway Casino opening (\$3,380,027), plus \$1,300,000 additional revenue for 6 months from the opening of a new casino in Cape Girardeau times 1.02. The estimated additional revenue to the VCIT fund in FY 2013 equals \$57,849,532.

GAME estimates in FY 2014 the direct fiscal impact to the VCIT, will be the FY 2013 total estimate, less 5.64% negative impact of the Kansas Speedway Casino (\$3,447,628), plus \$2,652,000 resulting from the new casino in Cape Girardeau being open for a full year, times 1.02 percent. The estimated additional revenue to the VCIT fund in FY 2014 equals \$60,332,522. See Table 1.

ASSUMPTION (Continued)

Table 1 - Additional Admission Fee

Veterans Capital Improvement Trust Fund	FY 2012 Admissions (10 months)	FY 2013 Admissions	FY 2014 Admissions
Income*	\$58,754,469	\$59,929,559	\$61,128,150
Less July	(\$4,801,180)		
Less August	(\$5,162,568)		
Kansas Speedway		(\$3,380,027)	(\$3,447,628)
Cape Girardeau		\$1,300,000	\$2,652,000
Total to Veterans Capital Improvement Trust Fund	\$48,790,721	\$57,849,532	\$60,332,522

* includes estimated 2% growth

Source: Missouri Gaming Commission

Officials at the **Missouri Veterans' Commission** assumes this proposal would increase revenue into the veterans commission capital improvement trust fund.

Oversight assumes this proposal would increase revenue to the veteran's commission capital improvement trust fund by adding an additional admission fee for excursion gambling boat licensees. Oversight assumes this proposal would increase the current \$2 dollar admission fee by 50% to \$3 dollars for excursion gambling boat patrons.

Officials at the **Department of Public Safety** and **Office of Administration Division of Budget and Planning** did not respond to Oversight's request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
VETERANS CAPITAL IMPROVEMENT TRUST FUND			
<u>Income - Veterans Capital Improvement Trust Fund Additional Admission Fee</u>	<u>\$48,790,721</u>	<u>\$57,849,532</u>	<u>\$56,884,895</u>
ESTIMATED NET EFFECT VETERANS CAPITAL IMPROVEMENT TRUST FUND	<u>\$48,790,721</u>	<u>\$57,849,532</u>	<u>\$56,884,895</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2012 (10 Mo.)	 FY 2013	 FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act imposes an additional one dollar admission fee on excursion gambling boat licensees effective August 28, 2011. The revenues generated by the additional admission fee will be deposited to the credit of the veteran's commission capital improvement trust fund.

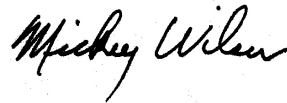
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Gaming Commission
Veterans' Commission

NOT RESPONDING

Office of Administration - Division of Budget and Planning
Department of Public Safety

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 15, 2011